

# **West Berkshire Council**

## **SPECIAL COUNCIL**

### **MINUTES OF THE MEETING HELD ON 20 JUNE 2005**

**Councillors:** John Chapman (*Chairman*) (P), Barbara Alexander (P), Peter Argyle (P), Trevor Banning (P), Phil Barnett (P), Brian Bedwell (*Vice-Chairman*) (P), J.C.G. Brooks (P), Paul Bryant (P), Val Bull (P), George Chandler (P), Keith Chopping (P), Billy Drummond (P), Sheila Ellison (P), Sue Farrant (AP), John Farrin (P), Geoff Findlay (P), Marcus Franks (P), Kathleen French (AP), Denise Gaines (P), Manohar Gopal (P), Sally Hannon (P), Sandra Harding (A), Roger Hunneman (P), Owen Jeffery (P), Graham Jones (P), Susie Kemp (AP), Andy Kilgour (AP), Tony Linden (P), Keith Lock (P), Mollie Lock (P), Royce Longton (P), Gordon Lundie (P), Alan Macro (AP), Tim Metcalfe (P), James Mole (P), Joe Mooney (AP), Irene Neill (P), Graham Pask (AP), Alexander Payton (P), Terry Port (P), Paul Pritchard (P), Mike Rodger (P), Andrew Rowles (P), Anthony Stansfeld (P), Caroline Suggett (P), Julian Swift-Hook (AP), Tony Vickers (P), Quentin Webb (P), Chris Webber (AP), Emma Webster (P), Keith Woodhams (P), Laszlo Zverko (P)

#### **PART I**

##### **16. APOLOGIES.**

Apologies for the inability to attend the meeting were received on behalf of Councillors Sue Farrant, Kathleen French, Susie Kemp, Andy Kilgour, Alan Macro, Joe Mooney, Graham Pask, Julian Swift-Hook and Chris Webber.

##### **17. DECLARATIONS OF INTEREST.**

Councillor Paul Pritchard declared an interest in Exempt Agenda Item 4, and reported that, as his interest was personal and prejudicial, he would be leaving the meeting during the course of consideration of the matter.

##### **18. EXCLUSION OF PRESS AND PUBLIC.**

**RESOLVED** that members of the press and public be excluded from the meeting for the under-mentioned item of business on the grounds that it involves the likely disclosure of exempt information as contained in Paragraphs 1 and 9 of Part 1 of Schedule 12A of the Local Government Act 1972. Rule 4.2 of the Constitution also refers.

#### **PART II**

##### **19. PROPOSED TERMINATION OF AMEY WEST BERKSHIRE PARTNERSHIP.**

*(Paragraph 1 – particular employee*

*Paragraph 9 – terms proposed in negotiations)*

*(Councillor Paul Pritchard declared a prejudicial interest in Agenda Item 4 by virtue of the fact that his son worked part time for Amey/West Berkshire. Councillor Pritchard therefore left the Chamber and did not take part in discussions or vote on this item.)*

The Council considered an exempt report (Exempt Agenda Item 4) concerning the proposed termination of the Amey West Berkshire Partnership. During discussion of this item Members of the Member Reference Group were thanked for their hard work in coming to an agreement that was the best for both parties and also the residents of West Berkshire. Members also thanked the Officers that were involved with the Member Reference Group for the excellent job they had done.

**MOTION** – proposed by Councillor Graham Jones and seconded by Councillor Geoff Findlay

“That:

- (1) the recommendation of the Member Reference Group, that the Draft Settlement Agreement as set out in Appendix 2, subject to Clause 16 and the Joint Statement in Schedule 5 being amended as tabled, be approved and that the Chief Executive be given delegated authority to sign the Agreement and agree the final Balancing Payment prior to or on the transfer date of 30th June 2005;
- (2) in support of Recommendation 1 that:
  - (a) the proposed financial savings outlined in Table 2 of Appendix 3 of the report, be approved, and that the resulting budgets for the provision of the Amey services transferring 'in house' (shown at Appendix 3f) also be approved;
  - (b) £40,000 be added to the Training Budget for the incoming Amey Services and that this be met from the operational revenue surplus as outlined in Appendix 3;
  - (c) the Amey West Berkshire Pension Fund be transferred to the Council's Pension Fund as set out in Paragraph 5.17;
  - (d) the transitional costs set out in Paragraph 5.18 be met from the Council's reserves;
  - (e) the organisational changes set out in Appendix 4 be approved and that the organisational charts set out at Appendix 4d come into effect from July 1st noting:
    - that the senior management structure will be reviewed in 12-18 months time and
    - that the Human Resources service will be reviewed once the new Head of Service is in post;
  - (f) the proposals regarding personal computers for Amey staff as set out in Paragraph 7.4 be approved;
  - (g) the proposed amendments to the Council's Constitution set out in Appendix 5 be approved;
  - (h) £53,000 be set aside from the revenue contingency budget for Amey to support essential accommodation changes following the proposed termination of the Partnership;
  - (i) the Council's ICT Corporate Replacement Fund be used to replace the PCs of returning Amey staff where they are considered 'unfit for purpose'.

## **West Berkshire Council and Amey end partnership**

### **Source: West Berkshire Council**

Published Thursday, 23 June, 2005 - 10:09

West Berkshire and Amey plc have reached agreement in principle to terminate the Partnership Agreement for the provision of support services with effect from 30 June 2005. The Partnership Agreement was signed in June 2002, to run for a period of 10 years.

The contract has delivered real benefits to both parties. West Berkshire has received improving service quality over the three years and benefits from approximately £11m of investment in new technology, including a Customer Contact Centre, which will enable West Berkshire Council to continue to transform service delivery. The new business practices introduced by Amey will be retained as part of the Council's modernisation programme. The Council will now complete the IT investment with £3m Amey will provide to the Council. Amey has also found procurement savings from which the Council will continue to benefit. The priority for both Amey and the Council has been to ensure that service delivery to the public is not affected.

Graham Jones, Leader of West Berkshire Council, and Jeff Brooks, Leader of the Opposition, confirmed that this is an amicable settlement which has been achieved in close cooperation with staff, trade unions and cross party cooperation. The transfer of services will not result in any additional cost to Council Tax payers. This is the best outcome for the people of West Berkshire. The investment has improved service delivery and the settlement enables us to continue this progress. We acknowledge that the Amey contribution will be of benefit to the public for several years to come and we wish them well.

Tony Barry, Group Director, Strategic Development for Amey added "Amey has made a major contribution to the development of Council services. It has become clear, however, that the original objectives for the Partnership, set by both the Council and Amey, cannot easily be realised. The settlement is therefore in our collective best interests."

Contacts :

West Berkshire Council: Sue Curtis-Davison, Head of Communications, telephone 01635 519974, or Keith Ulyatt, Public Relations Manager, telephone 01635 519125.

Amey Press Office , telephone 0207 344 1260 [Press.Office@amey.co.uk](mailto:Press.Office@amey.co.uk)

## **West Berks Ends £168m Outsourcing Deal**

By eGov monitor Newsdesk

Published Thursday, 23 June, 2005 - 10:35

One of local government's largest strategic outsourcings comes to a premature stop. West Berkshire Council is to terminate its 10-year, £168 million strategic partnership with support services group Amey after just three years into the deal.

In a joint statement on 20 June, both parties said they had agreed in principle to terminate the partnership agreement for provision of support services with effect from the end of this month.

The strategic partnership, designed to accelerate the Council's e-business transformation programme, had been hailed at the outset as one of the most extensive and advanced in local government.

The decision to end the partnership was described by West Berkshire Council Leader Graham Jones as an amicable settlement, a position confirmed by the local authority's Leader of the Opposition.

Tony Barry, Group Director, Strategic Development for Amey said the move was in the "collective best interests" of both parties.

"It has become clear", he said, "that the original objectives of the Partnership, set by both the Council and Amey, cannot easily be realised."

West Berkshire outsourced its central support services to Amey in April 2002 under a 10-year public private partnership contract, involving the transfer of over 400 council staff.

The company took on a wide-ranging portfolio that included ICT, procurement, financial, property, planning, administrative, customer and HR services.

Part of the agreement involved a complete upgrade of West Berkshire's core business systems and IT infrastructure by 2005, together with the development of a new customer call centre.

The Council has been referenced by local government IT association Socitm as an model of excellence in delivering ICT services.

The joint statement said that to date the partnership had delivered around £11 million of investment in new technology.

It continued: "The new business practices introduced by Amey will be retained as part of the Council's modernisation programme. The priority for both Amey and the Council has been to ensure that service delivery to the public is not affected."

## **Leader welcomes staff to Council**

**Released on 01/07/2005, Archived on 22/07/2005**

More than 400 staff at West Berkshire Council's offices in Newbury have been given a warm welcome this morning from Council Leader, Graham Jones

The move marks the transfer of the staff to the Council's employment from Amey, following the conclusion this week of the contract that has seen the private sector firm run support services at the authority for three years.

In the letter, Councillor Jones says: "I would like to be among the first to welcome Amey staff. I believe this heralds an era of even greater success for the Council."

Speaking from his office today, Councillor Jones added: "I'm very pleased that both organisations have concluded the contract amicably. The Council has gained a lot of investment through it, but the time is right to draw it to a close."

"I look forward to working with all staff in helping take the Council forward. All will be pleased to note that IT investment from the contract has brought real benefits to Council services, there will be no financial penalty to the Council, and there will be no compulsory redundancies. The way ahead is now clear."

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